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ATTORNEYS FOR THE TEXAS
COMPTROLLER OF PUBLIC ACCOUNTS

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	CASE NO. 10-33868-BJH
ANGARAKA LIMITED PARTNERSHIP	§	
	§	Chapter 11
Debtor	§	

**TEXAS COMPTROLLER OF PUBLIC ACCOUNTS' MOTION TO DISMISS CASE
WITH PREJUDICE PURSUANT TO 11 U.S.C. § 1112(b)**

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT 1100 COMMERCE STREET, ROOM 1254, DALLAS, TEXAS 75242 BEFORE CLOSE OF BUSINESS ON MARCH 20, 2011, WHICH IS TWENTY (21) DAYS FROM THE DATE OF SERVICE HEREOF.

ANY RESPONSE SHALL BE IN WRITING AND FILED WITH THE CLERK, AND A COPY MUST BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED A HEARING WILL BE HELD WITH NOTICE ONLY TO THE OBJECTION PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

The Texas Comptroller of Public Accounts ("Comptroller"), by and through the Texas Attorney General's Office, moves to dismiss this case with prejudice pursuant to 11 U.S.C. § 1112(b).

1. Angaraka Limited Partnership ("Debtor"), filed its Chapter 11 bankruptcy petition on

May 31 2010. Prior to the Debtor filing its bankruptcy petition, the Texas Secretary of State forfeited the corporate charter of the Debtor on April 9, 2010, pursuant to section 171.309 of the Tex. Tax Code. *See Exhibit A.*

2. The Debtor has filed a Plan of Reorganization ("Plan") (Docket No. 65) seeking to reorganize and continue its business operations. Debtor's Plan has not been confirmed.

3. Under the Texas Business Organizations Code, Sections 11.001 et seq., an entity that has had its corporate charter forfeited is required to wind up its operations and cease operating its business in the ordinary course, except to the extent necessary to wind up its business.

4. While the Debtor, a dissolved Texas partnership on the petition date, is permitted to file bankruptcy to propose a liquidating plan under Chapter 11 or a Chapter 7 liquidation, it is not eligible to file a plan of reorganization under Chapter 11 to carry on its business. *See In re StatePark Building Group, Ltd.*, 316 B.R. 466, 475 (Bankr. N.D. Tex. 2004); *In re ABZ Ins. Services, Inc.*, 245 B.R. 255 (Bankr. N.D. Tex. 2000).

5. The Debtor has failed to propose and seek confirmation of a liquidating Chapter 11 plan or convert the case to Chapter 7, which are the Debtor's only options under applicable bankruptcy laws and Texas state laws. Accordingly, the case should be dismissed with prejudice.

6. This Court, on the request of a party in interest, and after notice and a hearing, shall convert a Chapter 11 case to a case under Chapter 7, or dismiss a Chapter 11 case, whichever is in the best interest of the creditors and the estate, for cause. Due the Debtor's failure to propose a plan of liquidation in this case or convert the case to Chapter 7, sufficient cause exists for the Court to act against the Debtor under 11 U.S.C. §1112(b). Indeed, under § 1112(b)(A) "substantial or continuing loss to or diminution of the estate and the absence of a reasonable likelihood of rehabilitation" are grounds for dismissing or converting a chapter 11 case. Congress' intent is clear, and dismissal with prejudice is warranted here.

Wherefore, the Comptroller requests that this case be dismissed with prejudice and that it have such other relief to which it may be entitled.

Respectfully submitted,

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CERTIFICATE OF CONFERENCE

I certify that on or about February 25, 2011, I conferred with Debtor's counsel, Seth Moore, about the Comptroller's Motion to Dismiss. The parties did not agree to the Motion and it is expected that the Motion will be opposed.

/s/ William A. Frazell
William A. Frazell

CERTIFICATE OF SERVICE

I certify that on February 28, 2011, a true copy of the foregoing was served to the following parties by the method indicated:

By Regular First Class Mail:

See attached service list

By Electronic Means as listed on the Court's ECF Noticing System:

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